

beneficiaries in smaller communities of America.

What we are seeing, again, is the bottom line winning out over the rights, the interests, and the health of patients. We are watching as Medicare patients are dumped on the street. Is that the HMO industry's idea of reform? It is my idea of a travesty, and it is one that we need to bring to the attention of America. And we, as the Senate, need to expunge this dark page, page 252, and its companion, page 253, from our records. I hope we will, at the first opportunity, do so.

I thank the Chair.

EXHIBIT 1

[From the Washington Post, July 16, 1999]

HMOs WILL DROP 327,000 MEDICARE BENEFICIARIES NEXT YEAR

(By David S. Hilzenrath)

About 327,000 of the 6.2 million Medicare beneficiaries nationwide who belong to HMOs will be abandoned by their health plans next year, the government said yesterday.

Of those, 79,000 will be unable to enroll in another health maintenance organization as 41 health plans withdraw from the federal health insurance program for the elderly and disabled and another 58 stop serving Medicare beneficiaries in particular areas, according to the agency that runs Medicare.

Medicare beneficiaries who lose their HMO coverage have two or three alternatives: They can choose another HMO, if one is available; they can revert to standard fee-for-service Medicare coverage; and they can buy "Medigap" policies to supplement the standard benefits.

But there is no guarantee that they can find a Medigap policy with prescription drug coverage, which is one of the main reasons some Medicare beneficiaries choose HMOs.

In Maryland and Virginia, 33,000 beneficiaries—26.9 percent of those with HMO coverage—will lose their current coverage, and 27,000 will be unable to replace it with another HMO.

An HMO industry group recently predicted that more than 250,000 beneficiaries would be affected by the changes, but the Department of Health and Human Services released the final tally based on notices HMOs were required to submit by July 1.

This year, a larger number of beneficiaries—407,000—were abandoned by their HMOs, but a smaller number—51,000—were left without an HMO option.

The managed-care industry says HMOs are pulling out of Medicare because the government isn't paying them enough, but the government says the HMOs' actions reflect broader industry trends.

MANAGED HEALTH CARE REFORM—HMO LIABILITY

Mr. BINGAMAN. Mr. President, over the past few days, my Democratic colleagues and I presented a number of arguments which clearly laid out the need for managed health care reform.

The ability to hold insurance companies accountable for their decisions is a critical element in ensuring the overall quality of patient protections.

While we will continue to present our case in a variety of ways, I would like to take this opportunity to relate a story that was shared with me just a few weeks ago about a young girl from Albuquerque, New Mexico.

Anna, 6 years old at the time, was a very active and energetic young girl and excited about entering first grade that year. One evening, Anna went with her parents and her brothers and sisters to a softball game. She and other children went off to play in an area near the softball field. Suddenly, some of the children came running towards the adults, screaming for help. Anna had caught her foot in a gate. Her foot was bleeding profusely and she was in agonizing pain. She was immediately rushed to the local emergency room.

After Anna was examined by her doctor and after a conversation with her family's HMO, it was determined that Anna would not be admitted to the hospital that night.

Anna's family reluctantly took her home that night where she was in pain throughout the evening. Her family was forced to watch their small, frail daughter lay in bed in agony.

The next morning, her mother was worried because Anna's foot was purple, swollen, and cold. Anna was in tremendous pain and had a fever. Her parents did not hesitate any longer and Anna was rushed back to the emergency room.

This time she was admitted immediately and treated on an emergency basis, but it was too late and her family's worst fears were realized. Anna had a raging infection that had already destroyed half of her foot which had to be amputated.

Anna had two surgeries and spent 6 weeks in the hospital. She will live with this deformity forever.

Unbelievably, her family's HMO has delayed paying for the 6 weeks she was in the hospital to have her foot amputated and grated at a cost of \$23,000.00.

Anna's family paid for the protection of health insurance. What they received in return was a possible delay of critical medical service which has left Anna disfigured and has ruined her family's credit.

To the amazement of anyone who hears this story, under current law, Anna's HMO will not be held accountable for their decisions.

Under the Democratic plan, Anna and her family would have legal recourse like any other American has in this country when they are wronged by a business.

The Democratic plan simply states that if a patient is injured or killed as a result of an insurance company's decision, the insurance company can be held liable under state law.

Let me be clear. This will not open the flood gates to more litigation and raise the cost of health insurance.

It does not override states' rights. It simply says that whatever rights a given state chooses to grant shall not be blocked by federal legislation.

Without adoption of the Democratic plan, stories like Anna's will continue to be told. I understand Anna is quite a young girl and she will go on. But she and her family will struggle with this nightmare.

The Democratic plan is not about lawyers—it is about people like Anna and protecting their rights.

Anna, her family and millions like them in this country are waiting for us to do just that.

THE ILLEGAL PURCHASE OF FIREARMS

Mr. LEVIN. Mr. President, we've all heard the saying, "if at first you don't succeed, try, try, again." It's a lesson we've been taught since childhood. It's a lesson used to teach children to be persistent and work hard if they want to achieve their goals. It is also a lesson that applies to the purchase of firearms, and it is one that Benjamin Smith knew all too well.

Over the Fourth of July weekend, the majority of Americans were celebrating the birth of our nation. But the long holiday weekend produced yet another tragedy, made possible by the free flow of deadly firearms. A single man, Benjamin Smith, with a hatred for life, allegedly used a .22 caliber handgun and a .380 caliber semi-automatic handgun to murder two people and wound nine before ending his own life.

The alleged gunman had a history of violence, a protection order filed against him, and belonged to an organization that espouses hatred toward minorities, yet, he was still able to purchase deadly firearms, all because he was persistent. Approximately one week before his killing spree, he had applied to purchase firearms from a licensed firearms dealer in Illinois. He obtained an owner identification card, filled out an application, and expected to retrieve his weapons shortly thereafter. A few days later, however, he returned to buy the weapons and was rejected by the licensed dealer after failing to pass the Illinois state background check. Unfortunately, Benjamin Smith knew his lesson, "if at first you don't succeed, try, try again."

Benjamin Smith knew of other means to obtain firearms. He knew that although he was not permitted to purchase a gun from a licensed dealer, he would have few problems buying a gun on the street, from an unlicensed dealer. He knew that federal law requires that background checks be conducted by licensed dealers, but he also knew of a large secondary market in the United States that permits the free flow of weapons in to the hands of those who can not pass background checks. And, because he knew how easy it is to obtain a gun in the United States, Benjamin Smith was able to try, again, to purchase firearms for his killing spree.

Smith's second attempt to purchase guns was successful and as a result, this dangerous young man was equipped with the two handguns believed to be used in the several Independence Day shootings. Because of this secondary market that allows easy accessibility of firearms, the nation is